

Hospitality Dashboard

COVID-19 Monthly Update
Period: February 2021



Key Indicators



94

Redundancies



9

Business closures



↓ 32%

NATIONWIDE: **69% of the industry say revenue is down** v.s February 2020. The figure (left) indicates average monthly revenue decline.



↓ 35%

AUCKLAND: **88% say revenue is down** v.s February 2020. The figure (left) indicates average monthly revenue decline.

Member responses

769

Most regular feedback



Ongoing short-notice Level changes causing emotional and financial stress (and stock losses).



It takes weeks after a return to Level 1 for trade to pick up - impacts are far longer than the level change duration.



Lack of timely response around financial assistance is leaving owners scrambling.



Concern that wage subsidy eligibility criteria requires proof of a downturn compared to a historically quiet trading month.

Future Considerations

- Recognition that a return to Alert Level 1 isn't a return to 'normal', particularly with increased frequency of level changes. Campaigns to reignite affected sectors and encourage the public to return need to be investigated and reactivated as required.
- Government financial support schemes need to be set to activate automatically when Alert Level changes are made. Unacceptable delays in communication about criteria and when / how to apply when businesses need a timely response.

Actions led by the sector this month

- Began consultation with members of the Restaurant Association on key priorities outlined in the **Future of Hospitality roadmap**.
- Undertook consultation with industry and prepared a **submission** on reduction of merchant fee rates prepared for MBIE.
- Held a **hui** with Minister for Food Safety Dr Ayesha Verrall to discuss the industry needs and current challenges.
- Meet with **Immigration New Zealand** representatives to discuss current industry feedback and challenges.
- Reviewed and created 6 new **industry-specific resources** to assist the industry through re-emergence of Covid-19 in the community.

We estimate a \$70 million per week loss by hospitality businesses when at Alert Level 3 (Auckland) & 2 (rest of NZ)

Snapshot: Member Commentary



"We had Less turnover than February last year (and late February 2020 sales started crashing very hard due to Covid) so its still a long road to recovery."

"All Covid19 alert levels above L1 anywhere in New Zealand cause 2 impacts: - immediate decimation of sales; to high loss making territory and the subsequent 'new norm' that follows is that 10% lower than the previous 'new norm'."

"We are deeply frustrated with Government responsiveness to programmes like Wage Subsidy. Days into new alert levels and no details on eligibility. We have no choice but to cancel staff shifts because we cannot guarantee financial support. They claim to care about employees, clearly not."

Common pain point

The short notice immediate Alert Level changes result in stock losses that also aggravate and compound the losses and stresses to SME business owners.



Pātai? Need further information?

Marisa Bidois | Chief Executive | marisa@restaurantnz.co.nz | 027 559 7777
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Hospitality Dashboard

AUCKLAND COVID-19 Update
Period: February 2021



Key Indicators



40

Redundancies



4

Business closures



88%

88% of the industry in Auckland say revenue is down v.s February 2020.



35%

This figure indicates the average revenue decline vs February 2020 (of those businesses that indicated turnover is down).

Member responses 309

Most regular feedback



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Snapshot: Member Commentary



"The Government support is not helpful (as) it lags too far behind when the lockdowns are - and that's when it is needed."

"Lack of tourists, level3 lockdowns, Level 2 restrictions and lack of skilled & willing staff in this region have made it impossible to grow, as costs grow."

"The immediate lockdowns result in stock losses that also aggravate and compound the losses and stresses to SME business owners."

"Feb 2020 was a quiet one, there was word on the street about Covid and businesses were starting to cut budgets for dining out - according to customers."

Common pain point

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